

SENATE BILL REPORT

HB 1287

As Reported By Senate Committee On:
Economic Development & Telecommunications, March 28, 2001

Title: An act relating to extending the prohibition on mandatory local measured telecommunications service.

Brief Description: Extending the prohibition on mandatory local measured telecommunications service.

Sponsors: By Representatives Reardon, Delvin, Hunt, Ruderman, Campbell, Simpson, McIntire, Crouse, Casada, Hankins, Doumit, Mielke, Bush, Quall, Cooper, Haigh, Skinner, Ballasiotes, Morris, Woods, DeBolt, Lambert, O'Brien, Tokuda, Pennington, Hatfield, Fisher, Eickmeyer, Ericksen, Ahern, Anderson, Pflug, Schindler, Dunshee, Ogden, Veloria, Grant, Morell, Romero, Kenney, Schoesler, Barlean, Keiser, Cody, Roach, Miloscia, Dickerson, Esser, Conway, Murray, Edmonds, Edwards, Kessler, Linville, D. Schmidt, Jackley, Hurst, Kagi and Van Luven.

Brief History:

Committee Activity: Economic Development & Telecommunications: 3/20/01, 3/28/01 [DPA].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TELECOMMUNICATIONS

Majority Report: Do pass as amended.

Signed by Senators T. Sheldon, Chair; B. Sheldon, Vice Chair; Fairley, Finkbeiner, Haugen, McCaslin, Rossi and Stevens.

Staff: William Bridges (786-7424)

Background: Most telephone customers in Washington pay a flat monthly rate for local telephone service. Some local telephone companies offer lower monthly rates if customers agree to pay for local service on a per call basis. This type of pricing is called "local measured service." Under local measured service, customers pay for their local calls based on the time of day and length of call.

The Legislature prohibits the Washington Utilities and Transportation Commission (WUTC) from approving tariffs or price lists that include mandatory local measured service. The prohibition does not apply to mobile services, pay telephone services, or to any other service that has traditionally been offered on a measured basis.

The prohibition against mandatory local measured service expires June 1, 2001.

Summary of Amended Bill: The prohibition restricting the WUTC from approving telecommunications tariffs and price lists imposing mandatory local measured service is extended to June 1, 2004.

Amended Bill Compared to Original Bill: The prohibition against mandatory local measured service expires on June 1, 2004, not June 1, 2005.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: No one testified against this bill in the House. The bill still permits the option of local measured service. The encouragement of flat-rate local service is long standing policy in the state. The prohibition against mandatory local measured service is also long standing policy: since 1984 it has been extended five times. Until there is full competition in local service, the prohibition should remain in place. The definition of local measured service— should be clarified. For example, is a local-use pricing plan based on blocks of minute of use local measured service—?

Testimony Against: None.

Testified: Representative Aaron Reardon, prime sponsor (pro); Art Butler, TRACER (pro); Tom Walker, Qwest (concerns); Mike Woodin, AT&T (pro).